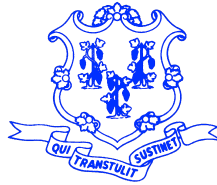


The Connecticut General Assembly

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Memorandum

To: Legislative Regulation Review Committee
From: Legislative Commissioners' Office
Committee Meeting Date: June 26, 2012

Regulation No:	2012-15
Agency:	Insurance Department
Subject Matter:	Utilization Review, Grievances and External Appeals
Statutory Authority: (copy attached)	38a-591i

	Yes or No
Mandatory	Y
Federal Requirement	N
Permissive	N

For the Committee's Information:

Substantive Concerns:

1. Section 38a-591-10(a) of the regulation states, in part: "Selection of an independent review organization shall include, but not be limited to the criteria set forth in section 38a-591/ of the Connecticut General Statutes...". Section 38a-591/ of the Connecticut General Statutes does not use similar language nor does it authorize the Insurance Commissioner to expand the criteria for selecting an independent review organization beyond what is provided in the statute.

2. Section 38a-591-8(c) of the regulation states: "For purposes of triggering any internal or external review periods, notice shall be deemed to have been given to the covered person or the covered person's authorized representative three (3) calendar days after the notice is put into the possession of the postal service." It is unclear what is meant by "triggering any internal or external review periods"; the Connecticut General Statutes Sections 38a-591d to 38a-591g, inclusive, provide a number of timeframes for responses by a health carrier or a covered person that appear to conflict with this requirement (for example, Connecticut General Statutes Section 38a-591e(b)(1) permits a covered person or covered person's representative to file a grievance not later than 180 days after such person or representative **receives** an adverse determination notice). (Emphasis added.)

Technical Corrections:

1. On page 1, in line 1 of section 38a-591-1(b), "for licensure" should be inserted after "Applications", for clarity.
2. On page 1, in line 1 of section 38a-591-1(c), "application fee must" should be "annual license fee shall", for accuracy and proper form in accordance with the committee's directive concerning mandates, and "Treasurer - State of Connecticut" should be enclosed by quotation marks, for proper form.
3. On page 2, in line 2 of section 38a-591-3(a)(7), the "to" before "termination" should be deleted, for proper form.
4. On page 2, in line 1 of section 38a-591-4, "appeals" should be "grievances", for consistency; in line 2, "appeals" should be "reviews of adverse determinations", for consistency; in line 1 of subdivision (1) of said section, "appeal" should be "grievance", for consistency; in line 2 of subdivision (2) of said section, "appeal" should be "grievance", for consistency; and in line 1 of subdivision (4) of said section, "enrollee" should be "covered person or the covered person's authorized representative", for consistency.
5. On page 3, in line 1 of section 38a-591-6, "shall, at his discretion" should be "may", for proper form.
6. On page 3, in line 2 of section 38a-591-7(b), a comma should be inserted after "requests", for proper form, and "June 2012" should be changed to specify a specific date that will reflect the anticipated effective date of the regulation.
7. On page 3, in line 1 of section 38a-591-8(a), "required to submit notices" should be "that submits" for accuracy; in line 5 of said section, "an expedited request" should be "requesting an expedited review", for consistency; and in line 6, "or" should be "and", for accuracy.
8. On page 3, in line 1 of section 38a-591-8(b), "required to submit notices" should be "that submits a notice" for accuracy; in lines 3 and 6 of said section, "Adverse Determination" should be "adverse determination", for proper form; in line 5 of said section, "an expedited request" should be "requesting an expedited review" for consistency; in line 8 of said

section, "must" should be "shall", for proper form; in line 9 of said section, "or" should be "and" for accuracy; in line 10 of said section, "a" should be inserted before "consumer", for proper form and "to the external review process" should be inserted after "guide", for clarity; lines 11 to 13, inclusive, of said section should be "commissioner shall develop and make available to health carriers the external review application and consumer guide. A"; and in line 15 of said section, "the covered person" should be "a covered person" for accuracy.

9. On page 4, in line 1 of section 38a-591-9, "Group health plans, or health insurance issuers offering group or individual health insurance" should be "Health carriers", for consistency; in line 2, "coverage," and "individual" should be deleted, for consistency; in line 3, "market participant, primary subscriber" should be "covered person", for consistency; and in lines 5 and 6 of said section, "Rescissions and eligibility denials shall be considered to be adverse determinations for purposes of internal and external claim review." should be deleted since it paraphrases statutory language.

10. On page 4, in line 3 of section 38a-591-10(a), "of appeals" should be deleted since it is unnecessary.

11. On page 4, in line 1 of section 38a-591-10(b), "the independent" should be "an independent", for proper form; and in line 5, "reserves the right to" should be "may", for proper form.

12. On page 4, in line 1 of section 2 of the regulation, "38a-226-1" and "38a-226-10" should be "38a-226c-1" and "38a-226c-10", respectively, for accuracy.

Recommendation:

<p>Approval in whole with technical corrections with deletions with substitute pages Disapproval in whole or in part X Rejection without prejudice</p>

Reviewed by: Kumi Sato / Bradford M. Towson

Date: June 13, 2012

Sec. 38a-591i. Regulations. The commissioner shall adopt regulations, in accordance with chapter 54, to implement the provisions of sections 38a-591a to 38a-591m, inclusive.